

WAPA-SN Rates Informal Public Process

Western Area Power Administration

Sierra Nevada Region

Wednesday, February 23, 2022

9:00 AM – 11:00 AM

Web Conference



Agenda

- WebEx Housekeeping Items
- Washoe Rate Case: WAPA-201
- History of Washoe Project, Stampede Division
- Contracts & Power Marketing Plans
- Renewable Energy Credits
- Additional Information



WebEx Housekeeping Items

- All participants are muted on entry to ensure a smooth remote meeting
- For questions during Q&A periods, please choose one of the following options:
 - Send questions to the host in the WebEx chat
 - Use the “Raise Hand” icon next to your name in participant list. The host will unmute and call on you
 - Phone only participants: When prompted by the host, press *6 from device to unmute yourself on WebEx
- Some questions may be answered later in other presentations
- We will have time for additional questions at the end of the meeting
- Make sure you are not “double-muted” when attempting to talk (i.e., muted on your device in addition to the WebEx client)



Washoe Rate Case: WAPA-201

The Sierra Nevada Region is proposing a five-year formula rate for non-firm power which otherwise would expire on September 30, 2022

Washoe Rate Case: WAPA-201

- Rate Schedule SNF-7 expires September 30, 2022
 - Originated with Rate Order No. WAPA-136 and extended by WAPA-160 and WAPA-176
- Proposed Rate Schedule will remain unchanged
- Advance Notification sent to Administrator and Customers October 2021
- Minor Rate Case
 - Requirement is an installed capacity of less than 20,000 kW and generation less than 100 million kWh annually for sale



Repayment

- As of Fiscal Year 2020, Washoe Project's unpaid capital obligation was approximately \$1.96 million and is due by 2037
- For the proposed period, Sierra Nevada Region (SN) forecasts the Washoe Project rate and average transfer from Central Valley Project (CVP) to be approximately \$245,000 annually until the project is 100% repaid



Proposed Timeline

| | |
|--------------|---|
| Feb 23, 2022 | Informal Customer Meeting |
| Apr 2022 | Federal Register Notice Published (60-Day Comment Period Begins) |
| Apr 14, 2022 | Formal Customer Meeting with the Public Information Forum and Comment Forum |
| Jun 2022 | 60-Day Comment Period Ends |
| Sep 1, 2022 | Final Federal Register Notice Published |
| Oct 1, 2022 | Final Rates Effective on Interim Basis |



Proposed Rate Schedule WSH-1

- See Rate Schedule WSH-1



History of Washoe Project, Stampede Division

History of Washoe Project, Stampede Division

- Stampede Dam and Reservoir are located on the Little Truckee River in Sierra County, California, about 11 miles northeast of the town of Truckee
- The water source for Stampede Reservoir is the Little Truckee River drainage basin
- Washoe Project authorized by Public Law 858 on August 1, 1956
- Stampede Dam and Reservoir are operated for the following specific purposes:
 - Flood Control
 - Fisheries Enhancement
 - Recreation; and
 - Power Generation



History of Washoe Project, Stampede Division

- Stampede Powerplant has two units with a maximum hourly operating capability of 3,650 kilowatts with an estimated annual generation of 11-million kilowatt hours annually depending on weather conditions
- Stampede Generation is used to provide energy for two Federal fish hatcheries
 - Lahontan National Fish Hatchery
 - Marble Bluff Fish Hatchery
- Congress, under Public Law 101-618, declared all Washoe Project costs non-reimbursable except the Stampede Powerplant
- Washoe Project has no Federally owned transmission lines



Contracts & Power Marketing Plans



History of Washoe Project, Stampede Division Contracts

WAPA entered into an agreement with Sierra Pacific (SPPC) to construct a transmission line to interconnect Stampede Powerplant to SPPC's transmission system

Due to the inability of TDPUD to contract for the energy, WAPA entered into an agreement with SPPC to sell the generation to SPPC while TDPUD arranged to take the power

TDPUD and the City of Fallon secured a transmission agreement with SPPC giving them the ability to receive Stampede power and entered into an agreement with WAPA

August 1985

January 1988

May 2007



October 1985

April 1994

July 2007

WAPA allocated the Stampede generation to Truckee Donner Public Utility District (TDPUD)

WAPA and SPPC entered into a new agreement for the sale of Stampede generation to SPPC and to create the Stampede Energy Exchange Account

WAPA terminated their contract between WAPA and SPPC due to the rate being too low



Contract 07-SNR-01026

- Stampede Energy Exchange Account (SEEA)
 - Stampede's non-firm power is provided to TDPUD and the City of Fallon
 - TDPUD manages the SEEA account which includes determining and depositing the revenue into the SEEA account and paying all related bills
 - Revenue is calculated using 75% of the current and previous year's monthly average on- and off-peak ICE prices (ICE prices are firm-power)
 - SN oversees the SEEA account by reconciling monthly information provided by TDPUD
- TDPUD and the City of Fallon are currently the only customers receiving this power



Letters of Agreement

- BOR 07-SNR-01036 and FWS 07-SNR-01037
 - Provide the procedures for determining the non-reimbursable costs
 - Provide for the SEEA administrator (TDPUD) to pay the electric service bills associated with Reclamation's Stampede Powerplant and FWS Lahontan and Marble Bluff Fish Hatcheries
 - Payment hierarchy under the SEEA
 - Reclamation's electric service bills for station service
 - FWS electric service bills; and
 - TDF administrative charges
 - When there are not sufficient funds in the SEEA, the entities are responsible for any amounts due on their respective electric service bills, and WAPA is responsible for the administrative charges



2004 & 2025 Power Marketing Plans

- Energy in excess of project use loads is integrated with the Central Valley Project (CVP) and marketed under the 2004 and 2025 Power Marketing Plans
 - Under the current and proposed Rate Schedules, each year, any remaining reimbursable expenses in excess of the revenue collected under the contract, are transferred to the CVP and incorporated into the CVP power revenue requirement (PRR)
 - CVP customers receive a share of Renewable Energy Credits (REC) annually



Renewable Energy Credits



Renewable Energy Credits

- Stampede Powerplant is registered with the California Energy Commission as a qualified renewable energy resource
- As a small hydro facility, it meets the requirements of a Portfolio Content Category 1 (PCC1) resource
- As California's Renewable Portfolio Standards have ramped up, so has the desire for PCC1 RECs
- WAPA began offering the RECs associated with its hydropower to customers in 2009
- 19 customers participate in the annual program



Additional Information

Contact Ms. Autumn Wolfe

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Rate Case Website:

<https://www.wapa.gov/regions/SN/rates/Pages/Rate-Case-2022-WAPA-201.aspx>



